

Quality Site Requirements (QSR) Alert – 2009-01
February 9, 2009

Highlights and Key Reminders: Interim Guidance under Section 7216
QSR #10- Security guidelines are being followed

This QSR alert relates to the following required procedures: On January 16, Treasury issued interim guidance under Section 7216 allowing disclosure, without taxpayer consent, of anonymous statistical compilations for fundraising, marketing, and advertising purposes that are in direct support of the volunteer site's tax return preparation activities. It is for this reason: **All volunteer sites using or disclosing taxpayer data for purposes other than current, prior, or subsequent year tax return preparation must secure the taxpayers consent to use and disclose their data.**

Exception: All volunteer sites using or disclosing anonymous aggregate data for fundraising, marketing, publicity or other business related uses, are **not** required to solicit consent. This exception applies to disclosures of anonymous statistical compilations occurring on or after **February 9, 2009**, and only to disclosures made during the calendar year 2009.

A statistical compilation is **anonymous** if it does not include any personally identifiable information, such as taxpayer's name, SSN/ITIN, address or other individual information, and does not disclose cells containing data from less than twenty-five returns.

Impact on Volunteer Preparers

Volunteer sites that only use or disclose anonymous aggregate data in direct support of the volunteer site's tax return preparation activities are **not** required to secure consent from taxpayers to use or disclose their data.

Requesting Taxpayer Consent

Volunteer sites required to solicit consent must obtain consent to disclose tax return information before returns are provided to the taxpayer for signature and before tax return information is disclosed. It is recommended that volunteer sites solicit taxpayer's consent during the intake and interview process. Consents may be furnished on paper or electronically. Taxpayers must sign consents and indicate whether they are "granting" or "denying" use of information from their federal tax return. Taxpayers who choose not to consent to use or disclosure of their data will not be denied service; however, the service provided will be limited to tax return preparation.

Consents are available in TaxWise

IRS provides VITA/TCE sites with TaxWise software for use in preparing taxpayer returns. For tax year 2008, TaxWise includes three consents

- 1) GEN Use – Generic Consent to Use
- 2) GEN Disclose – Generic Consent to Disclose
- 3) RO Disclose – Relational EFIN Consent to Disclose (Note: In TaxWise this consent is referred to as the "Regional Office" Consent to Disclose).

Consent Retention Requirement

Signed consents are valid for one year unless otherwise specified in the written notice to the taxpayer. SPEC volunteer preparers are encouraged to maintain signed copies of the consent for three years. Signed consents may be attached to Forms 8879 and submitted to the local SPEC Territory Office for storage at the Federal Record Center.

The IRS is fortunate to have partners and volunteers who realize the importance of serving and protecting our valued customer, the taxpayer. If you have any questions, please discuss with your site coordinator, email partners@irs.gov or contact your local IRS SPEC relationship manager.

Thank you for volunteering to serve your community
and for your dedication to providing top QUALITY service!